

City Planning Commission

Department: Community Development Case No.: URV-17-005 Applicant: Community Development Department	Resolution No.: 17-	Planning Commission: 10-10-17 Resolution of Intent: 9-11-17 City Council Pub. Hearing: 10-23-17 First Reading: 10-23-17 Second Reading: 11-13-17 Third Reading: 11-27-17 (will ask to be waived)
Subject/Title		
Adoption of the College Road Urban Revitalization Plan and Area		
Location		
Undeveloped land lying east of Valley View Drive and south of College Road		
Background/Discussion		
<u>Background</u> Chapter 404 of the Iowa Code authorizes a City to designate an area as an urban revitalization area. Improvements to qualified real estate within designated areas may then be eligible to receive a total or partial exemption from property taxes for a specified number of years. The exemptions are intended to stimulate private investment by reducing the tax increase that would normally result from making improvements to real estate property. Urban revitalization tax abatement incentives can apply to residential, commercial and industrial development. Both new construction on vacant or unimproved land and rehabilitation of existing structures are eligible for tax abatement.		
<u>Discussion</u> A development proposal has been submitted by Immanuel Senior Housing for the construction of a senior housing facility, designed for independent living for residents 55 years and older. The developer will construct a building with 56 units consisting of 28 one-bedroom units and 28 two-bedroom units. The units will be affordable to individuals between 30% and 60% area median income. This means most of the units will be affordable to seniors with annual incomes between \$15,750 and \$36,000. Rents will range from \$400 up to \$775. Six units will be market rate units without any income restrictions. The project will include a main lobby, community room, salon, manager's office, storage, wellness room, activity room and resident storage lockers. Each floor will also have its own community space. At least 35% of the building will be fully accessible for those with physical disabilities. The development is expected to create approximately five permanent jobs, primarily in property management and maintenance. Total development costs are estimated to be \$11.4 million. The developer will apply for low income housing tax credits from the Iowa Finance Authority in November of 2017. Immanuel has submitted a development plan that shows a second phase which likely will be initiated upon the successful completion and lease up of the first building. Assuming that Phase I is approved by the Iowa Finance Authority this funding cycle, Immanuel plans to submit Phase II for funding in November of 2018.		

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Iowa Code permits the City to establish urban revitalization areas, which satisfy one of the five conditions outlined in Section 404.1. Staff believes a finding would be consistent under 404.1.4. Section 404.1.4 discusses an area, which is appropriate as an economic development area as defined in section 403.17.

On September 11, 2017, City Council approved Resolution 17-201 which directed staff to initiate the process of creating the College Road Urban Revitalization Plan and Area. This resolution set October 23, 2017 as the date of the public hearing.

We specifically ask that the Commission consider finding the following:

- That the proposed College Road Urban Revitalization Plan furthers the goals of the City's Comprehensive Plan by "providing quality senior housing or support services to allow senior citizens to remain in the community;" and
- That the College Road Urban Revitalization Area is an area appropriate for urban revitalization designation as specified in Iowa Code Section 404.1.4. Section 404.1.4 discusses areas that are appropriate for economic development as defined by Section 403.17.

Staff Recommendation

The Community Development Department recommends approval of the College Road Urban Revitalization Plan.

Attachments

College Road Urban Revitalization Plan

Submitted by: Brenda Carrico, Program Coordinator, Community Development Department